INTRODUCTION

MUTUAL FUNDS

Mutual fund is the pool of the money, based on the trust who invests the savings of a number of investors who shares a common financial goal, like the capital appreciation and dividend earning. The money thus collect is then invested in capital market instruments such as shares, debenture, and foreign market. Investors invest money and get the units as per the unit value which we called as NAV (net assets value). Mutual fund is the most suitable investment for the common man as it offers an opportunity to invest in diversified portfolio management, good research team, professionally managed Indian stock as well as the foreign market, the main aim of the fund manager is to taking the scrip that have under value and future will rising, then fund manager sell out the stock. Fund manager concentration on risk – return trade off, where minimize the risk and maximize the return through diversification of the portfolio. The most common features of the mutual fund unit are low cost.

ADVANTAGES OF MUTUAL FUNDS

Mutual funds have designed to provide maximum benefits to investors, and fund manager have research team to achieve schemes objective. Assets Management Company has different type of sector funds, which need to proper planning for strategic investment and to achieve the market return.

- **Portfolio Diversification**: Mutual Funds invest in a well-diversified portfolio of securities which enables investor to hold a diversified investment portfolio (whether the amount of investment is big or small).

- **Professional Management: Fund** manager undergoes through various research works and has better investment management skills which ensure higher returns to the investor than what he can manage on his own.

- **Less Risk** Investors acquire a diversified portfolio of securities even with a small investment in a Mutual Fund. The risk in a diversified portfolio is lesser than investing in merely 2 or 3 securities.

- **Low Transaction Costs**: Due to the economies of scale (benefits of larger volumes), mutual funds pay lesser transaction costs. These benefits are passed on to the investors.

- **Liquidity:** An investor may not be able to sell some of the shares held by him very easily and quickly, whereas units of a mutual fund are far more liquid.

- **Choice of Schemes:** Mutual funds provide investors with various schemes with different investment objectives. Investors have the option of investing in a scheme having a correlation between its investment objectives and their own financial goals. These schemes further have different plans/options

- **Transparency**: Funds provide investors with updated information pertaining to the markets and the schemes. All material facts are disclosed to investors as required by the regulator

- **Flexibility:** Investors also benefit from the convenience and flexibility offered by Mutual Funds. Investors can switch their holdings from a debt scheme to an equity scheme and vice-versa. Option of systematic (at regular intervals) investment and withdrawal is also offered to the investors in most open-end schemes.

- **Safety:** Mutual Fund industry is part of a well-regulated investment environment where the interests of the investors are protected by the regulator. All funds are registered with SEBI and complete transparency is forced.

DISADVANTAGE OF MUTUAL FUNS

The mutual fund not just advantage of investor but also has disadvantages for the funds. The fund manager not always made profits but might creates loss for not properly managed. The fund have own strategy for investment to hold, to sell, to purchase unit at particular time period.

- **Costs Control Not in the Hands of an Investor:** Investor has to pay investment management fees and fund distribution costs as a percentage of the value of his investments (as long as he holds the units), irrespective of the performance of the fund

- **No Customized Portfolios:** The portfolio of securities in which a fund invests is a decision taken by the fund manager. Investors have no right to interfere in the decision making process of a fund manager, which some investors find as a constraint in achieving their financial objectives.

- **Difficulty in Selecting a Suitable Fund Scheme:** Many investors find it difficult to select one option from the plethora of funds/schemes/plans available. For this, they may have to take advice from financial planners in order to invest in the right fund to achieve their objectives

TYPES OF MUTUAL FUNDS

STATEMENT OF THE PROBLEM

Savings are excess of income over expenditure for any economic unit. Savings flows into investment for a return but savings kept as cash are non productive and do not earn anything. Savings are invested in assets depending on their risk and return perception of investors like return but at the same time they dislike risks making an investment a difficult art which people lacks.

There are different investment methods. Mutual funds are one among them. An investment program funded by shareholders that trade in diversified holdings and is professionally managed. The mutual fund companies appoint efficient and professional fund managers but the selection for the scheme lies in the hands of the investors himself. It requires adequate skills here comes role of financial firms. This study analysis various mutual funds schemes and it will help to evaluate which scheme is better.

Few research questions in this respect are:

How well have mutual funds performed in terms of returns and risk during the given period? If the mutual funds have completely over performed the market? How the mutual funds are performing in different schemes? To access the expectation level of the mutual funds. Why people in India investing in mutual funds & what are is their attitude towards this type of investment? If the investors are happy with the performance? What is the impact of regulatory norms on mutual funds and are the norms being followed. Is the present type of fund execution data spread sufficient?

These are the some questions that the study tries to answer.

RESEARCH PAPERS REVIEWED

Author & year	Topic	Objectives	Methodology	Findings
1 Mane, P. (2016)	A Study of Investors Perception towards Mutual Funds in the City of Aurangabad	✓ To know investor view towards Mutual fund ✓ To know the awareness of mutual fund in Aurangabad people ✓ To know the preference of people for investment	Source : primary data Sample Size: 30 Tools : Chi Square	✓ Most of the people are hesitant in going for new age investments like mutual funds. ✓ People prefer less riskier investment
2 Pasalkar, N.V. (2015)	A comparative study of Mutual Fund Investment vs Equity Investment of Indian Individual Investors	✓ To compare mutual fund investment with direct equity investment. ✓ To study the preferences of individual investors investing in mutual funds. ✓ To study the present practices of mutual fund investors.	source: primary data secondary data Sample size: 100 Respondents method: Simple random sampling	✓ Equity investment is more favored. ✓ Proper education is required about mutual funds.
3 Shukla, S. (2015)	A comparative performance evalution of selected mutual funds	✓ To study the performance of selected mutual funds schemes under different 5 categories ✓ To examine the return from the above selected mutual funds ✓ To know whether the mutual funds are able to provide reward to	Source: secondary data Tools: standard deviation, beta, alpha, R squared, Sharpe ratio	✓ All the funds are having positive correlation with Nifty.

		variability and volatility ✓ To identify security market return with fund return for the study period.		
4 Ramanujam, V., Bhuvaneswari ,A (2015)	Growth and Performance of Indian Mutual Fund Industry during Past Decade	✓To analyse Growth of Asset Under Management To analyse the growth of Asset under Management Institution Wise. ✓To examine Sector wise mutual fund sales and mutual fund redemption. To analyse the Scheme wise resource mobilization by mutual fund ✓To examine the total number of Schemes and Number of folios	descriptive research Source: secondary data	✓ Private sector have increased their asset base manifold ✓ The asset under management has shown growth in all the sectors
5 Bhutada, M. (2015)	Comparative Analysis of Mutual Fund Schemes available at Kotak Mutual Fund and HDFC Mutual Fund	✓To study the various schemes available at Kotak Mutual Fund and HDFC Mutual Fund. ✓ To analyze and compare the performance of different mutual fund schemes offered by Kotak Mutual Fund and HDFC Mutual Fund. ✓To know the factors that affects on the performance of mutual fund schemes. ✓To find out the best scheme available for investors by comparing	Source: Secondary Data Method: Convenience Sampling. Tools : Standard Deviation, Sharpe Ratio, Beta, R Squared, Alpha	✓ Election result, Crisis, Inflation, Budget and any such big events (factors) affect on the ✓ performance of Mutual Fund Schemes. ✓ Risk taken by different schemes, Alpa & Beta ratio and portfolio are the major reasons ✓ behind the difference in performance of both Mutual Fund Schemes

		their performance. To compare the similar schemes of Kotak Mutual Fund with HDFC Mutual Fund and find out the reasons behind the difference in their performances.		
6 Sharma, P., Agarwal, P. (2015)	Investors' Perception And Attitude Towards Mutual Fund As An Investment Option	✓ To analysis the impact of demographic factors in influencing buyers decision. ✓ To identify the intensity of various factors that positively and adversely affect buyer's decision.	Source: Primary data Size:50 respondents Method: Random sampling method Descriptive statistical Tool: Rank and Chi – Square	✓ Investors' perception is dependent on the demographic profile. ✓ Liquidity, flexibility, tax savings, service quality and transparency etc. are the factors which have a higher impact on perception of investors
7 Mishra, R. (2015)	Perceptions of Investors towards Mutual Funds: An Analytical Study in Odisha	✓ To explore the important aspects of Mutual Funds affecting the perception of mutual fund investors. ✓ To examine the difference of perception of large and small mutual fund investors on the basis of the explored aspects of mutual funds	Source: primary data. Secondary data Size: 136respondents Tools: descriptive statistics, Exploratory factor Analysis and 't' test	✓ Mutual funds are looked upon as a transparent and low cost investment vehicle. ✓ Return and future respective ar important factors.
8 Chawala, P. S. (2014)	Performance evaluation of mutual funds: A study of selected diversified equity mutual funds in india.	✓ To study the performance of selected diversified equity mutual funds in india ✓ To compare the performance of selected diversified equity mutual funds in india.	Source: secondary data. Tools : Standard deviation, beta, coefficient of determination.	✓ Majority of funds selected for study have outperformed under Sharpe Ratio as well as Treynor Ratio.

9 KAUR,R. (2014)	Performance evaluation of debt mutual fund schemes in india	✓ To examine the risk and return component among these mutual funds. ✓ To study the relationship between NAV and market portfolio return (BSE Sensex). ✓ To evaluate the return of these mutual funds according to the Fama"s model	Data: secondary data Tool: arithmetic mean, standard deviation, beta, co-efficient of determination, Sharpe, Treynor, Jensen Alpha and Fama"s Measure.	✓ Open-ended debt mutual funds have not performed better than ✓ The benchmark indicators. ✓ average return of the schemes is less than the market index.
10 Rathnamani, V. (2013)	Investor's Preferences towards Mutual Fund Industry in Trichy	✓ To analyze to what extend the mutual fund is effective as an investment mode to the investors. ✓ To study the growth of mutual fund industry in India. ✓ To analyze the investors awareness and perception regarding Mutual fund investment. ✓ To find preference of investors about different investment avenue ✓ To find out which factors attracts investors to invest in mutual fund	Size:100 respondents Method: convenient Source: Primary data Secondary data. Tools : Chi-square test, Pearson Correlation, cross tabulation	✓ Investors prefer high return at low level of risk, safety liquidity. ✓ Investors are willing to take moderate and low level risk.
11 Vanaja, V., Karrupasamy, R. (2013)	A Study On The Performance Of Selected Large Cap And Small & Mid Cap Mutual Fund Schemes In India	✓ To evaluate the performance of different mutual fund schemes on the basis of returns and comparison with their bench marks. ✓ To appraise the performance of different	Source: secondary data	✓ large cap schemes outperformed the category averaged and the bench mark indices.

		category of funds using risk adjusted measures as suggested by Sharpe, Treynor and Jensen. ✓ To find out if there is a significant difference in the performance of different category of funds.		
12 Narayanasamy, R. Rathnamani, V. (2013)	Performance Evaluation of Equity Mutual Funds (On Selected Equity Large Cap Funds)	✓ To study the performance of a growth scheme of a selected mutual funds ✓ To examine the return from the selected mutual fund ✓ To know whether the mutual funds are able to provide reward to variability and volatility ✓ To identified security market return with fund return.	Source: secondary data Tools: standard deviation, beta, alpha, R squared, Sharpe ratio	✓ All the funds have performed well in the high volatile market
13 Rana, D. (2013)	Preferences of investors for investment in mutual funds in india	✓ To identify the factors that influences the preferences of the investors for investment in mutual funds ✓ To analyze investment options other than mutual funds ✓ To plan for promotion of mutual fund investment in Kumaun Division of India.	Source: Primary data Secondary Data Method: Descriptive research Tools: factor analysis, and Chi- square test	✓ High return and tax benefits are preferred factors. ✓ Bank is the main factor as distribution channel for investment.

14 Zaheeruddin, M., Sivakumar, P. Reddy, S. (2013)	Performance evaluation of mutual funds in India with special reference to selected financial intermediaries	✓ To investigate the financial performance of the mutual funds with the tools of return, standard deviation and beta. ✓ To evaluate the selected funds assessment on the basis of various performance ratios (Sharpe, Treynor, Jensen) ✓ To compare HDFC, Birla sun life and ICICI equity performance with the S&P CNX Nifty Index, to give rankings of mutual funds by their outstanding performance	Tools: Standard deviation , (Beta value) covariance, Sharpe's ratio ,Treynor's ratio	✓ For Indian small investors mutual funds are best investment option.
15 Revathy, S. Santhi, V. (2013)	A Study on Performance Evaluation of Selected Banks Equity Mutual Funds	✓ To find out the performance of equity mutual funds in selected banks. ✓ To analyze the risk and return of selected banks in equity mutual funds. ✓ To compare the performance among the selected banks in equity mutual funds. ✓ To identify the suitable equity mutual fund among selected banks equity mutual funds	Source: Secondary data Tools : Sharpe's Performance Index, Treynor Performance index, Standard Deviation	✓ HDFC fund has outperformed ✓ the benchmark from sundram growth funds.

16 Agrawal, G., Jain, M. (2013)	Investor's preference towards mutual fund in comparison to other investment avenues	✓ To find out the most preferred Investment Avenue of the investors of Mathura. ✓ To analyze the investor's preference towards investment in mutual funds when other investment avenues are also available in the market. ✓ To find the main bases of different investment avenues, an investor thinks before investing. ✓ To find out the overall criterion of investors regarding investment.	Size: 300 Investors. Source: Primary Data Method: Snowball Sampling	✓ Maximum investors are aware about Banks & LIC investment avenues only. ✓ Return is the main criterion of investors regarding their investments .
17 Subashini, K. (2013)	Evaluating the Performance of some selected open ended equity diversified Mutual fund in Indian mutual fund Industry	✓ To evaluate the performance of selected open ended equity diversified Mutual fund in India ✓ To measure the risk - return relationship and market volatility of the selected mutual funds ✓ To analyze the risk adjusted performance the selective open ended equity diversified mutual fund through various techniques ✓ To suggest strategies to invest in a profitable mutual fund ✓	Source: secondary data Method: descriptive and analytical in nature Tools; Co- variance Beta. Standard deviation. Correlation. Co-efficient of variation	✓ HDFC Top when compared with all other funds. ✓ There is low variation exists between market index and fund performance of HDFC.

18 Burlakan,K. Chiruvoori,R. V. (2013)	Performance evaluation of select equity funds in india	✓ To analyse Risk and Returns of select equity funds ✓ To evaluate equity funds and suggest investors about outperforming funds	Data: Secondary data Tools: Average Growth Rate (AGR), Compounded Annual Growth Rate (CAGR), Standard Deviation, Beta, Sharpe Index model, Treynor model	✓ Mutual funds are best option for small investors.
19 USHARANI, M. (2012)	A study on investment avenues with particular reference to mutual fund	✓ To study the socio-economic profile of select individual investors. ✓ To assess their saving objectives. ✓ To identify the preferred savings avenue of the respondents. ✓ to identify their preferred mutual scheme.	Source: primary Data Method: stratified convenience sample Size:150 individual	✓ Risk free returns are more preferred. ✓ Majority of the respondents prefer growth scheme and income scheme.
20 Prajapati, K.P., Patel, M.K. (2012)	Comparative study on performance evaluation of mutual fund schemes of Indian companies	✓ To evaluate and compare the performance of equity diversified mutual fund schemes of selected companies ✓ To compare the performance of equity diversified mutual fund schemes of selected companies vis-à-vis the market	Source: Secondary data Tools: Beta, Standard Deviation, Sharpe's Index, Treynor, Jensen's absolute measure, Fama's measure	✓ Most of the mutual fund have given positive return during 2007 to 2011. ✓ HDFC and Reliance mutual fund have performed well as compared to the Sensex return

21 Kumar, l.n., Devi, v.R. (2011)	Performance evaluation of private and public sponsored mutual funds in india	✓ To classify the mutual fund schemes into different categories and analyze the performance of different private and public mutual funds. ✓ To evaluate performance of different mutual funds schemes on the basis of risk- return parameters and benchmark indices. ✓ To appraise performance of private and public mutual funds using risk adjusted measures as suggested by Sharpe, Treynor, and Jensen. ✓ To find out if there is a significant difference in the performance of private and public mutual funds.	Source: secondary data Tool; Treynor ratio, Sharpe Ratio and Jensen ratio.	✓ Competition among the private and public players has increased the choice of mutual funds schemes to the investors .
22 KUMAR, V. (2011)	Performance evaluation of open ended schemes of mutual funds	✓To examine the funds sensitivity to the market fluctuation in the terms of Beta. ✓To appraise the performance of mutual funds with regard to risk-return adjustment, the model suggested by Sharp, Treynore and Jensen	Tools: return, standard deviation, coefficient of determination, Beta, Sharpe ratio, Treynor ratio, Jenson's measures.	✓ Future of Mutual Funds in India has lot of positive things. ✓ Competition between private and public players is increasing.

23 Ali, S.I.N. (2008)	An empirical study on indian mutual funds equity diversified growth schemes" and their performance evaluation	✓ To gain practical insight into application of Sharpe's, Treynor's & Jenson's ratios. To understand the interdependence of funds & Index (BSE 200) ✓ To evaluate the Performance & rank/rate the funds on the basis of aforesaid ratios.	Data collection- Secondary data Sampling technique- Judgment sampling Sample size- 13 India mutual fund	✓ Mutual fund is a unique financial instrument for beginners. ✓ Private financial player's Indian economy has excelled with positive note.
24 Subha, M.V. Bharath,J. (2007)	An Empirical Study on the Performance of Select Mutual Fund Schemes in India	✓ To determine the performance of select open end mutual fund schemes using various statistical measures like Sharpe ratio, Treynor ratio, and Jensen Differential measure. ✓ To analyze the risk-return relationships of the select open ended mutual fund schemes.	Data: secondary Tool: Sharpe ratio Treynor ratio Jensen differential return measure Sharpe differential return measure, and Fama's components of investment performance	✓ The Sharpe Ratio indicates good performance by majority of the scheme. ✓ The returns of the funds are also positive.
25 Anand,S. Murugaiah,V. (2003)	Analysis of components of investment performance – an empirical study of mutual funds in india	✓ To examine the degree of correlation that exists between fund and market return ✓ To understand the impact of fund specific characteristics on performance ✓ To evaluate the diversification and selectivity skills of fund mangers	Data Source: secondary data	✓ Market risk and market return factors have shown closer correlation with the fund return. ✓ Mutual funds were not able to compensate the investors for the additional risk that they have taken by investing in the mutual funds.

BOOK REVIEWED

Title: MANAGING INVESTMENTS
Author: PRASANNA CHANDRA
Published: 1998
Pages: 388

Managing investments provides a guided tour of the so-called 'complex' world of investments and seeks to improve your skills in playing the investment game.
The book:

- ✓ Describe the characteristics of various Investment options available to investors.
- ✓ Discusses how the capital market functions.
- ✓ Explains the techniques used by professionals.
- ✓ For analyzing and valuing investment option.
- ✓ Discusses the implications of modern research in the field of investments.
- ✓ Presents a framework for portfolio management.
- ✓ Provides insights into the strategies followed by the investment wizards of the world.
- ✓ Sensities the reader to pitfalls in the investment game.
- ✓ Offers a set of guidelines for investors with varying inclinations.
- ✓ The book is organized into four parts as follows:

Part 1 Investment settings

Consisting three chapters
Chapter 1 provides an overview of the field of investments.
Chapter 2 describes the features of various investment alternatives.
Chapter 3 explains how the securities market functions.

Part 2 Investment Analysis

Consisting three chapters

Chapter 1 helps to understand the basic methods of analyzing fixed income instruments this chapter seeks to provide such grounding.

Chapter 2 this chapter looks at the determinants of intrinsic value and examines a frame work helpful in estimating them.

Chapter 3 this chapter discusses the basic premises of technical analysis, explains the more commonly used tools of technical analysis, and evaluate the usefulness of technical analysis.

Part 3 Investment Managements

Consisting of four chapters

Chapter 1this chapter highlights on the key insights provided by two seminal developments, viz, the efficient market theory and the assets pricing theory.

Chapter 2 discusses the process of portfolio management.

Chapter 3 this helps us to resolve the key issues related to the process of investment management and investment decisions.

Chapter 4 seeks to provide s concise view of the methods and different strategies followed by Investment experts.

Part 4 Technical Supplements

Consisting of four chapters

Chapter 1 focus on the concepts and financial techniques which is useful in improving the quality of security valuation.

Chapter 2 discusses the future and options are employs by portfolio,

Chapter 3 discusses the basic of portfolio theory and asset pricing theories.

Chapter 4 discusses the issues in portfolio management.

RESEARCH GAP

The study done here has few gaps which are to be filled up and studied further. Analysis of performance and comparison of mutual funds in India, in terms of growth, size and volume has to be provided to build up a strong study. A degree of correlation is very important between funds and market return and the impact of funds specific characteristic on the fund performance. This correlation has to be developed so as to have a better idea on how one parameter can affect the other. Evaluation of ratios performance and ranks has to be focused more on the basis of foreside ratios so as to get a better understanding of interdependence among funds and index.

JUSTIFICATION

The mutual fund is an important financial institution which can play a significance role in the development of any country. If they perform in an efficient way and to the expectation of the investing public, then a large number of investors can be attracted towards these.

Today it is noticed that s large number of mutual funds schemes has been floated in the market. It is very difficult for average investors to examine their performance. Thus, it is very important to evaluate the performance of the mutual funds so that the retail investors can make valued judgment for selecting the mutual funds for their investment purpose. Further, it is also significant to know which mutual funds is functioning as the prescribed regulatory norms whether the investment decisions have been taken by the fund managers as per the guideline, or not. It is essential to ensure due diligence, transparency and safety in portfolio selection by the mutual funds.

OBJECTIVES

- To examine the trends in term of growth and volume of mutual funds in India.
- To evaluate and compare the performance of different mutual funds schemes on the basis of return.
- To suggest strategies to invest in a profitable mutual funds.

HYPOTHESIS

Ho1: There is no significant difference in the volume and growth of selected mutual fund schemes on growing trend in India.

Ho2: There is no significant difference in the performance of different mutual funds schemes on the basis of return.

RESEARCH METHODOLOGY

Research methodology is a way to solve the research problem systematically. While designing the research work the following will be adopted.

- **TYPE OF STUDY:**

This type of study is basically Exploratory in nature (when a study is undertaken with the objective either to explore an area where little is known or to investigate the possibilities of undertaking a particular research).

- **SAMPLING TECHNIQUE**

Sampling techniques used is Stratified random sampling (where the population is divided into different subgroups or strata, then randomly selects the final subjects).

- **SAMPLINF DESIGN**

To study the financial performance of mutual funds, the sampling frame will be selected after considering the number og mutual funds, asset under management and the schemes of mutual funds currently operating in India. Out of 44 mutual funds companies having total AUM of 1447431.49, top seven companies will be selected which are having 70 percent AUM of the total schemes in the market. There schemes will be divided under 4 broad categories – Equity funds, Debt Funds, Hybrid funds and Liquid funds. Further 25 percent of the total current schemes prevailing in the market will be taken. Schemes comparison will be made on the basis of their year of inception. The time period of the study will be from 2013-14 to 2017-18.The schemes launched after 31'Mar'2015 will not be considered.

- **DATA COLLECTION**

For the purpose of the study, two sets of data have been collected. One set of data has been collected from secondary sources which include the Capital Market, Chartered Financial Analyst, Outlook, SEBI annual reports, RBI Reports on Currency and Finance, RBI Bulletin, Management Accountant, Portfolio Organizer, Economic and Political Weekly, Finance India etc. The data relating to growth of mutual fund industry and regulatory framework of mutual fund will be collected from www.sebi.gov.in. Mutual

fund schemes will be collected on quarterly basis (first date of each quarter) for the study period from the Financial Express, Economic Times, Business Standard and various websites such as www.amfiindia.com, www.mutualfundindia.com. In case, first day of any quarter being a holiday, NAV of the next working day was taken as NAV of a fund does not change on a holiday. For evaluating market return and risk, S&P CNX Nifty, BSE Sensex, BSE 100, BSE 200 have been taken as benchmark indices.

➢ ANALYSIS OF DATA

The performance of selected funds will be evaluated using average rate of return of fund, standard deviation, Risk/Return, Sharpe Ratio, Treynor ratio and Jensen ratio. Return alone should not be considered as the basis of measurement of the performance of a mutual fund scheme. Risk associated with a fund, in a general, can be defined as variability or fluctuations in the returns generated by it. The higher the fluctuations in the returns of a fund during a given period, higher will be the risk associated with it. Standard deviation is a statistical measure of the range of a fund's performance, and is reported as an annual number. When a fund has a high standard deviation, its range of performance has been very wide, indicating that there is a greater potential for volatility. The most common measures that combine both risk and reward are Treynor ratio, Sharpe Ratio and Jensen ratio

RISK ANALYSIS;

1. **Standard Deviation:** it allows us to evaluate the volatility of the fund. The standard deviation measures the risk by measuring the degree which the fund fluctuates in relation to its mean return

2. **Beta:** It measures the volatility of a fund's return, relative to a given index.

3. **Coefficient of Determination:** a number that indicates the proportion of the variance in the dependent variable that is predictable from the independent variable.

RETURN ANALYSIS;

Average Return will be calculated for analyzing return on Mutual Funds.

PERFORMANCE ANALYSIS

1. **Treynor's index :**

$$(Rp - Rf) \div \beta p$$

Higher value of Treynor's index indicates better performance of portfolio and vice versa. The Treynor's measure of portfolio performance is relative measure that ranks the funds in terms of risk (market risk) and return. The index is also termed as reward to volatility ratio.

2. **Sharpe's index :**

$$(Rp - Rf) \div \sigma p$$

Higher value of Sharpe's index indicates better performance of portfolio and vice versa. The Sharpe's measure of portfolio performance is also relative measure that ranks the funds in terms of risk (total risk) and return. The ratio is also termed as reward to variability ratio.

3. **Jensen's Measure :**

$$\alpha P = rP - [rf + \beta P (rm - rf)]$$

Jensen's measure is one of the ways to help determine if a portfolio is earning the proper return for its level of risk. If the value is positive, then the portfolio is earning excess returns..

4. **R Squared**:

This is a measure of correlation of a fund's movement to that of an index.

CHAPTERIZATION

Chapter-1: INTRIDUCTION

- 1.1 Brief introduction about mutual funds
- 1.2 Advantage of mutual funds
- 1.3 Disadvantage of mutual funds
- 1.4 Types of mutual funds

Chapter-2: RESEARCH METHODOLOGY

- 2.1Review of literature
- 2.2Research Gap
- 2.3Objective of the study
- 2.4Hypothesis of the study
- 2.5Sampling design
- 2.6Data collection
- 2.7Data analysis tools

Chapter-3: PROFILE OF SELECTED MUTUAL FUNDS

Chapter-4: OVERVIEW OF MUTUAL FUNDS

- 4.1 Concept of Mutual Funds
- 4.2 Present scenario of mutual funds
- 4.3 Importance of mutual funds
- 4.4 Classification of mutual funds
- 4.5 Growth trend of mutual funds
- 4.6 Why should investors invest in mutual funds
- 4.7 Risk involved in mutual funds

Chapter-5: REGULATORY FRAMEWORK AND ORGANIZATION OF MUTUAL FUNDS IN INDIA

5.1 Introductions
5.2Regulation of mutual funds
5.3SEBI guideline for mutual funds
5.4General guidelines
5.5Key financial terms
5.6Schems of mutual funds
5.7Organization of mutual funds
5.8Fund manager of the asset management company
5.9Role of Association of mutual funds of India
5.10Major Mutual funds companies in India

Chapter-5: DATA ANALYSIS & INTERPRETATION

Chapter -6: FINDING, CONCLUSION & SUGGESTIONS

Annexure
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